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(5) STREET ADDRESS LINE NO. 2					
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12010 Sunset Hills Ro	oad				
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CERTIFICATION STATEMENT					
Ulises R. Pin	, certify under pen	alty of perjury that the f	oregoing and supp	orting information is true and correct to	
the best of my knowledge, information and belief.					
DATE 12/13/2005					

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10 Queen Street				(17) STATE	(18) ZIP CODE	
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(13) APPLICANT NAME					
VSNL Telecommunicat:	ions (Bermuda)	Ltd. c/o VSNI	Intern	ational	
(14) STREET ADDRESS LINE NO. 1					
2100 Reston Parkway (15) STREET ADDRESS LINE NO. 2					
Suite 320					
(16) CITY			(17) STATE	(18) ZIP CODE	
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FEBRUARY 2003 (REVISED)

# SWIDLER BERLINUP

December 13, 2005

The Washington Harbour 3000 K Street, N.W., Suite 300 Washington, D.C. 20007-5116 Phone 202.424.7500 Fax 202.424.7647

www.swidlaw.com

#### VIA COURIER

Ms. Marlene H. Dortch, Secretary Federal Communications Commission Wireline Competition Bureau P.O. Box 358145 Pittsburgh, PA 15251-5145

Re:

In the Matter of Application of Teleglobe America Inc., Teleglobe International Holdings Ltd., and VSNL Telecommunications (Bermuda) Ltd. for Approval for Transfer Control of International and Domestic Section 214 Licenses

Dear Ms. Dortch:

On behalf of Teleglobe America Inc., ("TAI") Teleglobe International Holdings Ltd., ("TIHL") and VSNL Telecommunications (Bermuda) Ltd. ("VSNL Bermuda Telco") (together, the "Applicants"), enclosed for filing are an original and six (6) copies of an application for Commission approval to transfer control of TAI from TIHL to VSNL Bermuda Telco.

Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 transfer application and international section 214 transfer application ("Combined Application"). Applicants are simultaneously filing, through MyIBFS, the Application with the International Bureau, in accordance with the Commission's rules. Also enclosed is a completed Fee Remittance Form 159 containing an American Express credit card information for payment, in the amount of \$895.00, to the Federal Communications Commission, which satisfies the filing fee required for this Application under line 2.b of Section 1.1105 of the Commission's rules.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please do not hesitate to contact the undersigned if you have any questions regarding this filing.

Respectfully submitted,

Jean L. Kiddoo
Paul O. Gagnier
Ulises R. Pin

Counsel to

Teleglobe America, Inc. and Teleglobe International Holdings, Ltd.

Enclosure

9263909v1

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
Teleglobe America Inc.	)	
7 010 group 1 111101 100 11101	)	
Teleglobe International Holdings Ltd	)	
and	)	File No. ITC-T/C-2005
VSNL Telecommunications (Bermuda) Ltd.	)	WCB Docket No. 05-
Application for Approval of Transfer of	)	
Control of a Company Holding International	)	
and Domestic Section 214 Authority	)	

#### APPLICATION FOR APPROVAL OF TRANSFER OF CONTROL

Teleglobe America Inc. ("TAI"), its ultimate parent company, Teleglobe International Holdings Ltd ("TIHL"), and VSNL Telecommunications (Bermuda) Ltd. ("VSNL Bermuda Telco") (collectively, the "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Sections 63.04 and 63.24(e) of the Rules of the Federal Communications Commission ("Commission"), 47 C.F.R. §§ 63.04 and 63.24(e), hereby seek Commission approval to transfer control of TAI from TIHL to VSNL Bermuda Telco. As provided in the attached amended national security agreement, the Department of Defense, the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation have no objection to the Commission granting its approval of this Application, provided that the

Concurrently herewith, Applicants are filing applications to transfer control of TAI as the holder of submarine cable landing licenses under the Cable Landing License Act and Section 1.767 of the Commission's Rules.

Commission conditions its grant of approval on compliance with the amended national security agreement negotiated among the parties.

As described below, under the Transaction (the "Transaction"), VSNL Bermuda Telco and TAI's ultimate parent company, TIHL, will be amalgamated (*i.e.*, combined) under Bermuda Law. As a result of the amalgamation, TIHL will be merged into VSNL Bermuda Telco, the separate corporate existence of TIHL will cease, and the combined company, VSNL Bermuda Telco, will continue to be a direct wholly-owned subsidiary of Videsh Sanchar Nigam Limited ("VSNL"). As a result of the Transaction, VSNL Bermuda Telco will control TAI. Although control of TAI will change, TAI will continue to provide services in the United States to its existing customers under existing service arrangements pursuant to its Section 214 authority and other authorizations granted by the Commission. The Transaction, therefore, will be seamless to TAI's customers. Attached hereto as Exhibit A are organization charts, with respect to control of TAI, that illustrate the current corporate structure of the parties and the structure that will exist immediately following consummation of the Transaction.

#### I. THE APPLICANTS

#### A. Teleglobe America Inc. ("TAI") (Licensee)

TAI is a Delaware corporation headquartered in Reston, Virginia, providing both facilities-based and resold telecommunications services to wholesale customers in the United States. TAI is an indirect wholly owned subsidiary of TIHL. TAI holds (i) domestic Section 214 authority under a "blanket" Section 214 authorization; and (ii) international Section 214 authority as set forth on Exhibit B attached hereto.

TAI provides a suite of domestic and international wholesale intermediate communications services to its customers in the United States, including, voice transit

services (to include non-retail international toll free, U.S. inbound collect service), ISDN services, Internet protocol ("IP") transit service, international private circuit services and signaling services. TAI's network includes 22 Points of Presence in the United States ("POPs"), where its customers can interconnect to access Teleglobe's worldwide voice, data and signaling services. The POPs are interconnected with owned and leased fiber optic facilities.

#### B. Teleglobe International Holdings LTD ("TIHL") (Transferor)

TIHL is a Bermuda company headquartered in Hamilton, Bermuda. TIHL is a publicly traded holding company whose shares trade on the NASDAQ stock exchange.

TIHL's subsidiaries provide a variety of international telecommunications services around the world. The current indirect majority owners of TIHL are four investment funds that are affiliated with Cerberus Capital Management, LP, a Delaware limited partnership ("Cerberus"). Cerberus is a private equity fund based in New York that manages over \$16 billion in assets, including investments in the technology and telecommunications sectors.

# C. VSNL Telecommunications (Bermuda) Ltd. ("VSNL Bermuda Telco") (Transferee)

VSNL Bermuda Telco is a newly-formed Bermuda company that was formed to amalgamate with TIHL. As a result of the amalgamation, VSNL Bermuda Telco will have an indirect controlling interest in TAI. Upon closing of the amalgamation, VSNL Bermuda Telco will be a direct wholly-owned subsidiary of VSNL.

VSNL, the parent company of VSNL Bermuda Telco, is a limited company organized under the laws of India, and its shares are publicly traded on the Bombay Stock Exchange and India's National Stock Exchange. VSNL's American Depositary Receipts ("ADRs") trade on

the New York Stock Exchange. By virtue of its aggregate 44.72 percent ownership interest in VSNL,<sup>2</sup> the Tata Group, an India commercial conglomerate, exercises a controlling ownership and managerial interest in VSNL for purposes of Commission rules and regulations. Nevertheless, because the Tata Group does not exercise a greater than 50 percent ownership interest in VSNL, under Indian law, VSNL is not considered to be a subsidiary of or controlled by the Tata Group. The Government of India holds an approximate 26 percent ownership interest in VSNL. The Bank of New York, a U.S. financial institution, holds 5.59 percent of VSNL as depository to VSNL's ADR issue.<sup>3</sup> No other person or entity holds, directly or indirectly, a 10 percent or greater ownership interest in VSNL.

VSNL is the principal provider of public international telecommunications services and a major provider of Internet, wireless and other telecommunications services in India.

VSNL provides international telephone, telex and telegraph services through a combination of satellite, terrestrial and undersea cable links. Over the years, VSNL has been transformed from an overseas-switched-voice company to an internationally recognized telecommunications company utilizing and offering a full range of state-of-the-art digital technology. VSNL operates undersea cable facilities in India, North America, Europe and southeast Asia through its subsidiaries.

In the U.S., VSNL provides certain international telecommunications services through its VSNL America, Inc. subsidiary ("VAI"). VAI holds international Section 214 authority to provide international telecommunications services between the U.S. and authorized international points and is regulated as a dominant carrier on the U.S.- India route. VSNL recently completed the acquisition of the TGN submarine cable landing licenses and

As of September 30, 2005. As of September 30, 2005.

See VSNL America Inc., Order, Authorization and Certificate 19 FCC Rcd. 16, 555 (Int'l Bur. 2004).

operations through its subsidiary VSNL telecommunications (US) Inc. ("VSNL US")<sup>5</sup> The Commission conditioned its grant of international Section 214 authority to VAI as well as its approval of the TGN transaction upon compliance with a national security agreement between the relevant VSNL entities and various Executive Branch agencies.

VAI and VSNL US provide exclusively international services in the U.S. market today. VAI focuses on the provision of IP Virtual Private Network services, international private line services, and international wholesale voice termination services. VSNL US provides bandwidth and high-capacity services as the licensee of the TGN Atlantic and Pacific non-common carrier cable systems.

#### II. THE PROPOSED TRANSACTION (ANSWER TO QUESTION 13)

Pursuant to the Agreement and Plan of Amalgamation, dated July 25, 2005, by and among TIHL, VSNL and VSNL Bermuda Telco, VSNL Bermuda Telco will amalgamate with TIHL, and each issued and outstanding common share in the share capital of TIHL will be converted into the right to receive a cash payment (other than any shares directly or indirectly owned by VSNL or VSNL Bermuda Telco or indirectly owned by TIHL, and any dissenting shares). Following the amalgamation of VSNL Bermuda Telco with TIHL, TIHL will cease to exist as a publicly held company, and the combined company, VSNL Bermuda Telco, will be a privately held, direct wholly-owned subsidiary of VSNL. As a result of the amalgamation, VSNL Bermuda Telco will have an indirect controlling interest in TAI. Consummation of the Transaction is contingent upon receipt of necessary regulatory approvals from U.S. and foreign regulatory authorities, among other things.<sup>6</sup> For the

<sup>&</sup>lt;sup>5</sup> See Action Taken Under Cable Landing License Act, *Public Notice*, DA 05-1268 (released Apr, 29, 2005) (file nos. SCL-ASG-20050304-0003; SCL-MOD-20050304-0004; and SCL-T/C-20050304-0005).

On November 21, 2005, the U.S. Federal Trade Commission granted Applicants early termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a, and 16 C.F.R. Parts 801-03.

Commission's convenience, pre- and post-transaction organizational charts are provided as Exhibit A attached hereto.

#### III. PUBLIC INTEREST CONSIDERATIONS

Consummation of the Transaction described herein will serve the public interest because it will lead to the emergence of a stronger and better-financed competitor in the market for telecommunications services in and between the United States and international points. Under VSNL Bermuda Telco's ownership, TAI will be able to operate in a more efficient and economical manner and will have better access to capital needed to maintain and grow TAI's competitive telecommunications business.

Moreover, the change in ownership of TAI will not have any adverse impact on existing customers. TAI, backed by its parent VSNL Bermuda Telco, will continue to possess the managerial and technical qualifications to provide domestic interstate and international telecommunications services. Because the Transaction will be completed at the holding company level and will not change the rates, terms or conditions of TAI's services, the Transaction will not result in a change of carrier for TAI's customers and will otherwise be transparent to customers of TAI receiving services in the United States. Immediately following consummation of the Transaction, TAI will continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, terms or conditions. Indeed, VSNL Bermuda Telco anticipates that this Transaction will result in the provision of more advanced telecommunications services to a broader customer base throughout the United States.

At the same time, a grant of the Application would not result in any anticompetitive effects. TAI is a non-dominant U.S. international carrier lacking market power in any U.S. international market sector. The amalgamation of TAI with VSNL will not result in a

material increase in concentration on any route or in the provision of any U.S. international telecommunications service. On the contrary, the only impact of this amalgamation on U.S. market conditions is that TAI will obtain the financial and technical backing necessary to became an even more effective competitor in the U.S. international telecommunications market to the benefit of U.S. consumers.

Finally, the proposed change in the ownership of TAI presents no foreign ownership concerns. The Commission has already reviewed and approved the qualifications of VSNL to enter the U.S. market in granting international Section 214 authority to VAI and in approving the TGN transaction. VSNL Bermuda Telco's parent, VSNL, has been deemed a dominant carrier on the U.S.-India route and TAI hereby agrees to be treated as a dominant carrier on this route insofar as it operates as a Section 214 licensed U.S. international telecommunications carrier. VSNL Bermuda Telco, VSNL, VSNL US and VAI have reached an agreement with the Executive Branch agencies to address any national security, law enforcement, and public safety concerns that the agencies believe are presented by the Transaction. These negotiations have resulted in an amendment to the network security agreement dated as of December 12, 2005.

As provided in the attached amended national security agreement, the Department of Defense, the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation have no objections to the Commission granting its approval of this Application, provided that the Commission conditions its grant of approval on compliance with the April 7, 2005 national security agreement among the parties, as revised by an Amendment dated December 12, 2005. The Applicants do not object to this condition.

For these reasons, Applicants respectfully submit that this Transaction is in the public interest.

# IV. REQUEST FOR EXPEDITED CONSIDERATION AND STREAMLINED PROCESSING

#### A. Request for Expedited Consideration

As noted above, the transfer of control of TAI will allow TAI to continue as a strong competitor in the domestic and international telecommunications markets. For various business reasons, the Transaction must be closed as quickly as possible, and it is therefore in the interest of all affected persons – TAI, TIHL, VSNL Bermuda Telco, and their respective customers, employees, shareholders and creditors – that the Commission issue its approval as promptly as practicable. Applicants emphasize that the transfer of control will be seamless and completely transparent to TAI's customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to TAI's customers. Accordingly, Applicants request that the Commission commence its examination of the Transaction as soon as possible and complete its review promptly thereafter. The public interest would therefore support commencement of the review process at this time.

#### B. Request for Streamlined Processing

As discussed below, this Application is eligible for presumptive streamlined treatment under Sections 63.03(b)(1)(ii) and 63.12 of the Commission's rules, 47 C.F.R. §§ 63.03(b)(1)(ii) and 63.12, and Applicants hereby request streamlined processing.

#### V. INFORMATION REQUIRED BY SECTION 63.24(E)

In support of this application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18 (a)-(d) for the Licensee, the Transferor and the Transferee, and from Section 63.18(h)-(p) for the Transferee:

(a) Name, address and telephone number of Applicants:

Licensee: Teleglobe America Inc. FRN: 0009480302

One Discovery Square, 4th Floor

12010 Sunset Hills Road Reston, Virginia 20190-5856

(703) 766-3061

Transferor: Teleglobe International Holdings Ltd FRN: 0013828132

P.O. Box HM 1154 10 Queen Street

Hamilton, HM EX, Bermuda

(441) 296-2248

Transferee: VSNL Telecommunications (Bermuda) Ltd. FRN: 0013921184

c/o VSNL International 2100 Reston Parkway

Suite 320

Reston, Virginia 20191

(703) 547-5900

(b) Licensee/Transferor: TAI is a corporation organized under the laws of Delaware. TIHL is a Bermuda company.

Transferee: VSNL Bermuda Telco is a Bermuda company.

#### **ANSWER TO QUESTION 10:**

(c) Correspondence concerning this Application should be sent to:

For TAI and TIHL

Michael Wu, Esq.

Rogena Harris, Esq.

Teleglobe America Inc.

One Discovery Square, 4th Floor

12010 Sunset Hills Road

Reston, Virginia 20190-5856

(703) 766-3047

with a copy to:

Jean L. Kiddoo

Paul O. Gagnier

Ulises R. Pin

Swidler Berlin LLP

3000 K Street, N.W., Suite 300

Washington, DC 20007

(202) 424-7500

#### For VSNL Bermuda Telco:

Satish Ranade, Esq.
VSNL Telecommunications (Bermuda) Ltd.
c/o VSNL International
2100 Reston Parkway
Suite 320
Reston, Virginia 20191
(703) 547-5900

#### with a copy to:

Robert J. Aamoth Joan M. Griffin Randall W. Sifers Kelley Drye & Warren LLP 1200 19<sup>th</sup> Street, NW, Suite 500 Washington, DC 20036 (202) 955-9600

(d) TIHL and VSNL Bermuda Telco do not hold any FCC licenses. A list of the Section 214 authorizations held by TAI is appended hereto as Exhibit B. VSNL's subsidiary, VAI, holds international Section 214 authority (ITC-214-20030728-00376).

#### **ANSWER TO QUESTION 11:**

(h) Post-close, the ownership structure of TAI will be as follows. The following entity will hold a 10% or greater direct ownership interest in TAI:

ITXC Corp.
750 College Road East
Princeton, New Jersey 08540
Delaware Corporation
Principal Business: Holding Company

The following entity will hold of a one hundred percent (100%) ownership interest in ITXC Corp.:

TLGB Netherlands Holdings B.V. Amalialaan 41C le verd 3743 KE Baarn The Netherlands Netherlands Limited Liability Company Principal Business: Holding Company

The following entity will hold a one hundred percent (100%) ownership interest in TLGB Netherlands Holdings B.V.:

TLGB Luxembourg Holdings S.ar.1. 8-10, rue Mathias Hardt L-1717 Luxembourg

Luxembourg Limited Liability Company Principal Business: Holding Company

The following entity will hold a one hundred percent (100%) ownership interest in TLGB Luxembourg Holdings S.ar.l.:

VSNL Telecommunications (Bermuda) Ltd. c/o VSNL International 2100 Reston Parkway Suite 320 Reston, Virginia 20191 Principal Business: Holding Company

The following entity will hold a one hundred percent (100%) ownership interest in VSNL Telecommunications (Bermuda) Ltd.:

Videsh Sanchar Nigam Limited ("VSNL")
Lokmanya Videsh Sanchar Bhaavan, Opp. Kirti College
K.D. Marg, Praabhedevi
Mubai, India 400 028
India Limited Company
Principal Business: International telecommunications, domestic India long distance, and other value added services.

The largest accumulation of interests in VSNL is held by various entities within The Tata Group, an Indian commercial conglomerate consisting of approximately 80 companies operating in seven different market sectors including chemicals, engineering, energy, automotive, communications, and consumer goods. By virtue of its aggregate 44.72% ownership interest in VSNL, the Tata Group exercises de facto control over VSNL for purposes of Commission rules and regulations. Nevertheless, because the Tata Group does not exercise a greater than 50% ownership in VSNL, under Indian law, VSNL is not considered to be a subsidiary of or controlled by the Tata Group.

Panatone Finvest Ltd., an investment entity within The Tata Group, located at Bombay House, 24 Homi Modi Street, Mumbai, India, 400 001, holds a 43.14% interest in VSNL.

The Tata Power Company Limited, an Indian power provider located at 24 Homi Modi Street, Mumbai, India, 400 001, though its interests in Panatone Finvest, Ltd., holds a 17.25% indirect interest in VSNL.

Tata Sons Limited, the primary investment holding company for the Tata Group, also located at 24 Homi Street, Mumbai, India, 400 001, through its interests in both Panatone Finvest Ltd. and Tata Power Company Limited, holds a 43.14% indirect interest in VSNL. Tata Sons Limited holds a 1.58% direct interest in VSNL.

<sup>&</sup>lt;sup>7</sup> As of August 28, 2005.

The Government of India holds a 26.12% interest in VSNL. The address for the department that administers the Government of India's interest is as follows: Secretary, Department of Telecommunications, Sanchar Bhawan, 20 Ashoka Road, New Delhi, India, 110 001.

The Bank of New York, a U.S. financial institution, holds 5.59 % of VSNL as depository to VSNL's ADR issue. The address for the Bank of New York is 101 Barclays Street, 22nd Floor West, New York, N.Y. 10286.

There are no other shareholders of VSNL who directly or indirectly own 10 percent or more of VSNL's equity and thus will own 10% or more of TAI's equity post-close.

#### **ANSWER TO QUESTION 12:**

VSNL Bermuda Telco: The following individuals are officers or directors of VSNL Bermuda Telco and officers and directors of foreign carriers:

Satish Ranade, President and Director of VSNL Bermuda Telco is also Company Secretary/Treasurer of Videsh Sanchar Nigam Limited: Director of VSNL Lanka Limited (Sri Lanka); Director of VSNL Singapore Pte. Limited; Director of VSNL Japan K.K.; Director of VSNL Hong Kong Limited; Director of VSNL Netherlands B.V.; Director of VSNL UK Limited; Director of VSNL Telecommunications (UK) Limited; Director of VSNL (Portugal), Unipessoal, Ltda.; Director of Videsh Sanchar Nigam Spain SRL; Director of VSNL Belgium BVBA; Director of VSNL (Germany) GmbH; and Director of TVS India Limited.

#### ANSWERS TO QUESTIONS 14 – 16, 18:

- (i) By its signature to this Application, VSNL Bermuda Telco certifies that it is not a foreign carrier within the meaning of 63.09(d) of the Commission's Rules. VSNL Bermuda Telco certifies that it currently is affiliated with foreign carriers in Belgium, Bermuda, France, Germany, Hong Kong, India, Japan, Nepal, the Netherlands, Portugal, Singapore, South Africa, Spain, Sri Lanka, and the United Kingdom. Upon consummation of the Transaction, VSNL Bermuda Telco will become affiliated with foreign carriers in Australia, Canada, Italy and Norway.
- (j) By its signature to this Application, VSNL Bermuda Telco certifies that through the acquisition of control of TAI, it seeks to provide international telecommunications services to the destination countries of Australia, Belgium, Bermuda, Canada, France, Germany, Hong Kong, India, Italy, Japan, Nepal, the Netherlands, Norway, Portugal, Singapore, South Africa, Spain, Sri Lanka and the United Kingdom.

With respect to India, VSNL Bermuda Telco's parent, VSNL, is a foreign carrier deemed by the FCC to hold market power in India.

VSNL was recently notified by the Ministry of Communications of South Africa that it has been allotted a 26 percent equity stake in the yet-to-be-licensed South African Second National Operator.

VSNL Bermuda Telco will retain its affiliations with non-dominant carriers in Belgium (VSNL Belgium BVBA), Bermuda (VSNL Bermuda Limited), France (VSNL France SAS), Germany (VSNL (Germany) GmbH), Hong Kong (VSNL Hong Kong Limited), Japan (VSNL Japan K.K.), Nepal (United Telecom Limited), Netherlands (VSNL Netherlands B.V.), Portugal (VSNL (Portugal) Unipessoal Ltda), Singapore (VSNL Singapore Pte. Ltd), Spain (Videsh Sanchar Nigam Spain SRL), Sri Lanka (VSNL Lanka Limited), and the United Kingdom (VSNL UK Limited, VSNL Telecommunications (UK) Limited).

In addition, TAI will retain its affiliations with non-dominant carriers in Australia (Teleglobe International Australia Pty Limited), Belgium (Teleglobe International Belgium S.P.R.L), Canada (Teleglobe Canada ULC), France (Teleglobe France International S.A.S.), Germany (TLGB International Germany GmbH), Hong Kong (Teleglobe International Hong Kong Limited), Italy (Teleglobe Italy S.r.L.), Japan (ITXC Global Japan YK), Netherlands (Teleglobe Netherlands B.V.), Norway (Teleglobe Nordics AS), Singapore (Teleglobe Asia Data Transport Pte Ltd. and Teleglobe Asia Pte Ltd.), Spain (Teleglobe Spain Communications S.L.), and the United Kingdom (Teleglobe International Limited). As a result of the Transaction, TAI will become affiliated with the non-dominant carriers described in the preceding paragraph.

(k) The foreign carriers listed above in Section (j) of this application are based in countries that are Members of the World Trade Organization. TAI will accept dominant carrier treatment in its provision of service to India insofar as it operates as a Section 214-licensed U.S. international telecommunications carrier and will file the quarterly traffic reports required by Section 43.61(c) of the Commission's Rules, 47 CFR § 43.61(c).

With the exception of VSNL, none of the carriers listed above in Section (j) is listed on the Commission's List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets. In addition, these foreign carriers offer services in competition with dominant foreign carriers and others. These foreign carriers each hold significantly less than a 50% market share in the international transport market between the U.S. and their home markets and in the local access markets in the countries where they operate. Moreover, these foreign carriers do not have the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities to exercise market power in the countries where they operate. Accordingly, VSNL's foreign carrier affiliates lack sufficient market power on the U.S.-international routes on which they operate to affect competition adversely in the U.S. market. Therefore, TAI should be presumptively classified as a non-dominant carrier on all international routes, except India.

(l) As noted above, TAI will accept dominant carrier treatment in its provision of service to India insofar as it operates as a Section 214-licensed U.S. international telecommunications carrier and will file the quarterly traffic reports required by Section 43.61(c) of the Commission's Rules. TAI may resell international switched

services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where it has foreign carrier affiliations. As demonstrated above, each of these affiliated foreign carriers, other than VSNL, should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission's Rules.

- (m) Not applicable insofar as TAI will accept dominant carrier treatment in its provision of services to India insofar as it operates as a Section 214-licensed U.S. international telecommunications carrier. With respect to all other countries where TAI will be affiliated with foreign carriers, as demonstrated above in Section (k), its proposed affiliations will be with non-dominant foreign carriers.
- (n) By its signature to this Application, VSNL Bermuda Telco certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, 47 C.F.R. §63.14(b), directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and will not enter into such agreements in the future.
- (o) By its signature to this Application, VSNL Bermuda Telco certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that it is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- VSNL Bermuda Telco requests streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. §63.12. This application qualifies for streamlined processing under Section 63.12(c) of the Commission's Rules, 47 C.F.R. §63.12(c), because (i) VSNL Bermuda Telco will not be affiliated with a dominant U.S. carrier whose services TAI may resell; (ii) with respect to the U.S.-India route, India is a WTO Member country and TAI agrees to be classified as a dominant carrier on this route insofar as it operates as a Section 214-licensed U.S. international telecommunications carrier; and (iii) with respect to all other countries where TAI and VSNL Bermuda Telco have foreign affiliates, such foreign affiliates qualify for a presumption of non-dominance on those routes under Section 63.10(a)(3) of the Commission's Rules.

#### VII. <u>ADDITIONAL INFORMATION REQUIRED UNDER SECTION 63.04(b)</u>

In lieu of an attachment, pursuant to Section 63.04(b) of the Commission's Rules,<sup>9</sup>
Applicants submit the following information in support of their request for a transfer of control of TAI's domestic Section 214 authority in order to address the requirements set forth under paragraphs (a)(6) through (a)(12) of Section 63.04.

(a)(6) A description of the Transaction is set forth in Section II above.

<sup>&</sup>lt;sup>9</sup> 47 C.F.R. § 63.04(b).

- (a)(7) TAI is a facilities-based interstate domestic telecommunications service wholesale provider throughout the United States. VSNL Bermuda Telco does not have any domestic interstate telecommunications operations or assets in the United States.
- (a)(8) This Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii) because neither VSNL Bermuda Telco nor its affiliates provide domestic interstate telecommunications services or have an ownership interest in any company that provides domestic telecommunications services.

  Accordingly, the acquisition of control of TAI will not result in an increased concentration in any market for telecommunications services in the United States. Thus, this Transaction raises no competitive or public interest concerns and this application should be afforded streamlined treatment.
- (a)(9) Through this Application, TAI seeks authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Section 63.04(b) of the Commission's Rules). Concurrently herewith, Applicants are filing applications for the transfer of TAI's submarine cable landing licenses under the Cable Landing License Act and Section 1.767 of the Commission's Rules. No other applications are being filed with the Commission with respect to this Transaction.
- (a)(10) Not applicable.
- (a)(11) Not applicable.
- (a)(12) A statement showing how grant of this Application will serve the public interest, convenience and necessity is provided in Section III above.

#### VII. CONCLUSION

For the foregoing reasons, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Applicants respectfully request expedited treatment to permit the parties to consummate the Transaction as soon as possible.

Respectfully submitted,

Teleglobe America Inc.
Teleglobe International Holdings Ltd

y: True

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VSNL Telecommunications (Bermuda) Ltd.

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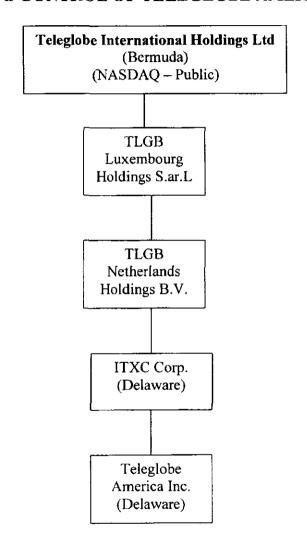
Counsel to VSNL Telecommunications (Bermuda) Ltd.

Date: December 13 2005

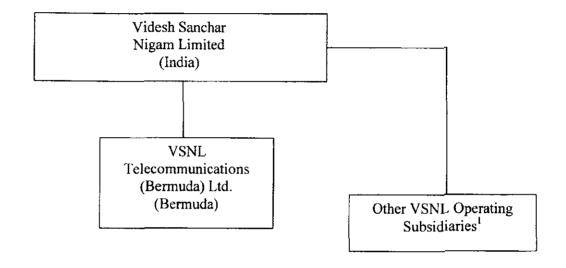
## EXHIBIT A

## **ORGANIZATIONAL CHARTS**

# TELEGLOBE CURRENT CORPORATE STRUCTURE REGARDING CONTROL OF TELEGLOBE AMERICA INC.

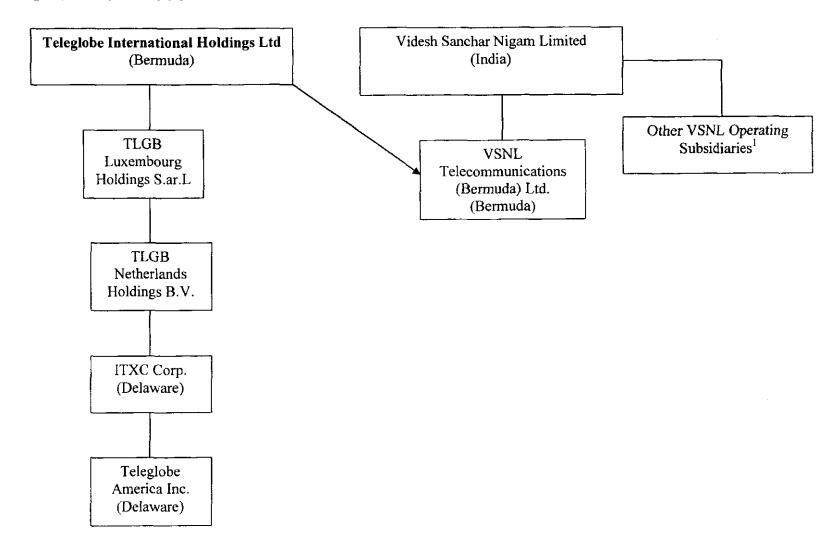


## VSNL CURRENT CORPORATE STRUCTURE



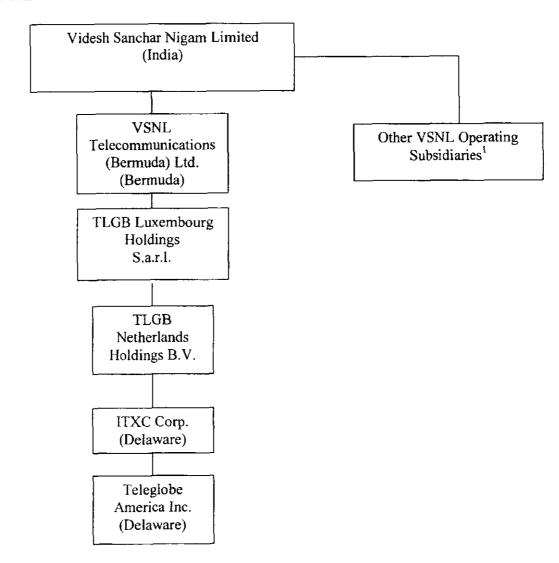
<sup>&</sup>lt;sup>1</sup>VSNL's other operating subsidiaries include VSNL America, Inc. and VSNL Telecommunications (US) Inc.

# PRE-CLOSING STRUCTURE REGARDING OWNERSHIP OF TELEGLOBE AMERICA INC.



<sup>&</sup>lt;sup>1</sup>VSNL's other operating subsidiaries include VSNL America, Inc. and VSNL Telecommunications (US) Inc.

# POST-CLOSING STRUCTURE REGARDING CONTROL OF TELEGLOBE AMERICA INC.



<sup>1</sup>VSNL's other operating subsidiaries include VSNL America, Inc. and VSNL Telecommunications (US) Inc.

## **EXHIBIT B**

## SECTION 214 AUTHORIZATIONS HELD BY TELEGLOBE AMERICA INC.

DIEN CENTER NEW VIEW		to Branch and the state of the state of
ITC-95-466	DA No. 03-3231	Authority to resell private lines not
		interconnected to public switched networks
		between the United States and international
· · · · · · · · · · · · · · · · · · ·		points, except Canada.
ITC-95-467	DA No. 03-3231	Authority to provide international services
		between the United States and international
		points through resale of international
		switched services.
ITC-95-468	DA No. 03-3231	Authority to resell private lines
		interconnected with the public switched
		network at one or both ends for provision of
		switched services between the United States
IEO OZ OZA		and the United Kingdom.
ITC-96-074	DA No. 03-3231	Authority to resell interconnected private
		lines between the United States and Sweden
ITC 06 462	D. M. 02 2224	for the provision of switched services.
ITC-96-452	DA No. 03-3231	Authority to provide limited global
		facilities-based services to all international
ITC 06 410	D. M. 62 2221	points, except Canada.
ITC-96-410	DA No. 03-3231	Authority to acquire and operate facilities
		for the provision of international services
		between the United States and international
ITC-96-411	DA No. 03-3231	points.
110-90-411	DA No. 03-3231	Authority to acquire and operate facilities
		for the provision of services between the
		United States and international points other
		than Canada using the CANUS-1 cable
ITC-96-412	DA No. 03-3231	system
110-90-412	DA NO. 03-3231	Authority to lease private lines between the
		United States and Canada for provision of
ITC-98-342; ITC-98-	DA No. 03-3231	switched and private line services.
342A	DA NO. 03-3231	Authority to construct, acquire, and operate
J747.		capacity in a Digital Submarine Cable
ITC-214-19980527-	DA No. 03-3231	System, the AMERICAS-II Cable System.
00346	DA NO. 03-3231	Authority to construct, acquire, and operate
VU340		capacity in the Columbus-III cable system.